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ABSTRACT

State law requires the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) to conduct a program evaluation and justification review of the Florida State University System. To fulfill its mission and purposes, the Board of Regents and the state universities developed three programs: instruction, research, and public service. This report analyzes each of the three programs and makes recommendations for improving productivity and cost-effectiveness in each area. The Florida State University System is composed of 10 universities that serve more than 140,000 full-time equivalent students annually. In July 2001, the university system's governance will change from the Board of Regents to the Florida Board of Education, with a chancellor and local boards of trustees for each institution. The evaluators used a variety of sources and methods to consider the three university programs and to make recommendations. To help ensure that the instructional program continues to add value, it is recommended that universities determine the characteristics of students who take excess hours and the major reasons contributing to excess hours. Universities should then consider implementing some specific strategies described in this report or develop others to decrease the excess hours taken by students. The Legislature should also develop a mechanism to better coordinate the development of distance learning courses. To ensure that the research and public service programs are accountable and provide useful information to the Legislature, the Florida Board of Education and the Chancellor of Colleges and Universities should work to develop performance standards to describe who benefits from research and public service projects. Some other suggestions are made for increased accountability and the dissemination of information about research and public service projects. The first appendix contains a chart of performance-based program budgeting measures for fiscal year 2000-2001. The second appendix contains the response to this report from the State University System of Florida. (SLD)

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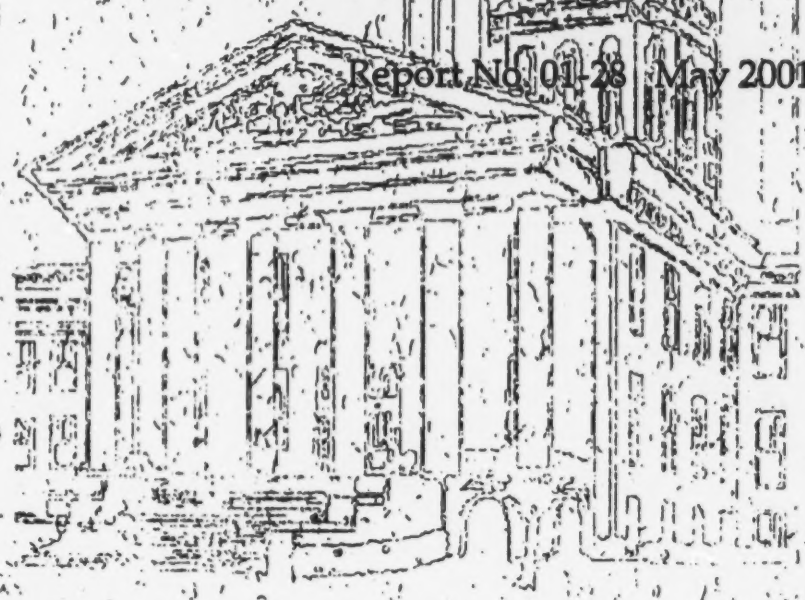
Justification Review

State University System

Florida Department of Education

Report No. 01-28 May 2001



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Justification Review

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John W. Turcotte, OPPAGA Director

The Florida Legislature

OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY

John W. Turcotte, Director

May 2001

The President of the Senate,
the Speaker of the House of Representatives,
and the Joint Legislative Auditing Committee

I have directed that a program evaluation and justification review be made of Florida's State University System administered by the Board of Regents. The results of this review are presented to you in this report. This review was made as a part of a series of justification reviews to be conducted by OPPAGA under the Government Performance and Accountability Act of 1994. This review was conducted by Dick Brand, John Hughes, Ben Powell, and Martha G. Wellman under the supervision of Jane Fletcher.

We wish to express our appreciation to the staff of the Board of Regents for their assistance.

Sincerely,

John W. Turcotte
Director

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Executive Summary

Justification Review of the State University System

Purpose

This report presents the results of OPPAGA's program evaluation and justification review of Florida's State University System (SUS). State law directs OPPAGA to complete a justification review of each state agency program that is operating under a performance-based program budget.

To fulfill its mission and purposes, the Board of Regents (BOR) and the state universities developed three programs: instruction, research, and public service. This report analyzes each of the three programs and makes recommendations for improving productivity and cost-effectiveness in each area. Because of the size and complexity of these program areas, our review focuses on selected issues in each area that affect all of the institutions or have major influence on the university system as a whole.

Background

All Florida universities adhere to three traditional roles: instruction, research, and public service

Florida's State University System is composed of 10 universities that range greatly in their individual missions and goals. However, all Florida universities adhere to three traditional roles: instruction, research, and public service; but the emphasis on each program varies significantly by university. Recognizing this diversity, the Board of Regents adopted a classification plan that groups the universities according to their missions and characteristics. Florida has four university classifications: Research I, Research II, Comprehensive/Doctoral, and Comprehensive. These classifications define each university's mission and have helped guide policy decisions such as whether to increase an institution's undergraduate or graduate level programs and what proportion of the state funding for research the institution will receive.

Florida's 10 universities serve over 140,000 FTE students annually. The three largest universities, the University of Florida, Florida State University, and the University of South Florida, serve half of the system's

enrollment. The State University System operates with a budget of approximately $5 billion, slightly less than half of which comes from legislative appropriations.

The governance of Florida's university system is changing. Beginning July 1, 2001, the Board of Regents will be replaced by the Florida Board of Education and the chancellor of colleges and universities. They will coordinate with local boards of trustees. The local boards of trustees, appointed by the Governor, will be responsible for the day-to-day management of each university.

General Conclusions

The State University System allows qualified Florida citizens to secure a college education. Individuals with college educations typically have higher incomes, live longer, and provide a higher quality of life for their children. To achieve the benefits of a college education, potential students must have access to a community college or university. Although private universities can provide these benefits, their high costs may make them inaccessible to many individuals. By providing a system of public universities, the state lowers the cost and increases the accessibility of a college education.

The performance measures can be used to draw conclusions about the instructional program

As required by the Legislature, the State University System maintains and reports information about its system-wide performance. In addition, as mandated by the 1991 Legislature, the Board of Regents has implemented an ongoing system for assessing the performance of individual universities. The instructional program is successful in graduating a majority of its students. In Fiscal Year 1998-99 Florida's public universities granted nearly 35,000 bachelor's degrees with 70% of students graduating within six years. In addition, in Fiscal Year 1997-98, 76% of the graduates who remained in Florida had incomes of $25,000 or more within five years of their graduation.

Approximately 93% of Florida's applicants who meet standards for admission into one or more of the state's universities are admitted as first-time-in-college students (FTICs). This indicates that access to the system currently may not be a problem. In the future, however, as the number of students seeking admittance to the State University System increases, access may become a problem. To help deal with potential access problems, the SUS can reduce the number of excess hours taken by students and continue to increase the number of courses offered through distance learning.

Excess hours cost the state $22 million in 1998-99

Excess hours occur when students take classes that they do not need to meet graduation requirements or when they withdraw from or fail the courses they enroll in. In 1998-99, the average student enrolled in

14.8 more hours than were needed to graduate. These hours cost the state $55 million for the hours in excess of graduation requirements and $22 million in excess of the standard established by the Legislature. Fifty-seven percent of the excess hours resulted from courses students did not successfully complete; they were dropped, failed, or repeated. Moreover, 19% of the students accounted for the majority (56%) of excess hours. If students graduated with fewer excess hours, universities could accommodate more students.

Student participation in distance learning is increasing

Distance learning can increase access to universities in a variety of ways. It can enable students to take courses without living near a college campus. It also can help students take courses that would otherwise conflict with work schedules. The use of distance learning has expanded in the SUS in recent years. In 1999-2000, 49,398 students enrolled in distance learning courses, an increase of 22% from 1998-99. These students took 227,749 credit hours, an increase of 36%. During the same time 5,305 students enrolled in only distance learning courses, an increase of 36% over 1998-99. In 1999-2000, Florida's public universities offered 63 certificate or degree programs through distance learning.

There are several challenges that must be overcome for distance learning to achieve its potential. Universities must maintain instructional quality, ensure a complete college experience, train faculty, contain costs, and evaluate instructional outcomes.

Performance measures for research and public service need improvement

While the PB² performance measures provide a good understanding of the instructional program, the research and public service program measures offer a less detailed picture. The current measures for the research\program include external dollars generated and the number of publications. However, these two measures do not describe benefits of the research program or who receives them.

The only system-wide measure for public service is the percentage of faculty time allocated to public service that is devoted to public schools. As a result, information about the public service program is limited because the measure does not provide information about the many other types of public service the universities perform.

Recommendations

We have two recommendations regarding the instructional program and six recommendations regarding the research and public service programs. To help ensure the instructional program continues to add value we recommend that

- universities determine the characteristics of students who take excess hours and the major reasons contributing to excess hours. Universities should then consider implementing some of the strategies

described in Chapter 3 of this report or develop other strategies for decreasing the excess hours taken by students and

- the Legislature should develop a mechanism for better coordinating the development of distance learning courses. The Legislature could assign this responsibility to a new division within the new education governance structure or delegate it to an existing entity such as the Florida Virtual Campus.

To ensure that the research and public service programs are accountable and provide useful information to the Legislature we recommend that

- the Florida Board of Education and the chancellor of colleges and universities work with the Legislature to develop performance measures that describe who primarily benefits from its research and public service projects or the time spent on them;
- the Florida Board of Education and the chancellor of colleges and universities continue to use the current measures of research or replace them with other, similar measures such as the renewal rate for research contracts, peer review assessment, or beneficiary satisfaction measures;
- the Leadership Board for Applied Research and Public Service be involved in the development of the accountability system;
- the Florida Board of Education and the chancellor of colleges and universities consider the diversity of university missions when it develops standards for the measures;
- the Florida Board of Education and the chancellor of colleges and universities require type 1 and 2 institutes and centers to develop performance measures that fit their individual missions; and
- the Florida Board of Education and the chancellor of colleges and universities consider publishing an annual report describing selected research projects and their benefits.

Agency Response

The chancellor of the State University System of Florida provided a written response to our preliminary and tentative findings and recommendations. (See Appendix B, page 44.)

Chapter 1

Introduction

Purpose

This report presents the results of OPPAGA's program evaluation and justification review of Florida's State University System (SUS). State law directs OPPAGA to complete a justification review of each state agency program that is operating under a performance-based program budget. [1]

Florida's constitution directs Florida government to provide for institutions of higher learning. The constitution considers education "a fundamental value of the people of the State of Florida." [2] Accordingly, the Legislature established the purpose and mission of the SUS in s. 240.105, *Florida Statutes*.

By law, the purposes of the SUS are to

- enable students of all ages, backgrounds, and levels of income to participate in the search for knowledge and individual development;
- stress undergraduate teaching as its main priority;
- offer selected professional, graduate, and research programs with emphasis on state and national needs;
- foster diversity of educational opportunity;
- promote service to the public;
- make effective and efficient use of human and physical resources;
- function cooperatively with other educational institutions and systems; and
- promote internal coordination and the wisest possible use of resources.

To help the state universities achieve these broad purposes, the Legislature further defined the mission of the SUS as

- developing human resources to discover and disseminate knowledge;
- extending knowledge and its application beyond the boundaries of its campuses; and

[1] Florida's State University System began operating under performance-based program budgeting in Fiscal Year 1997-98.

[2] The Constitution of the State of Florida, Article IX, Section 1.

- serving and stimulating society by developing in students heightened intellectual, cultural, and humane sensitivities; scientific, professional, and technological expertise; and a sense of purpose.

To fulfill its missions and purposes, the Board of Regents (BOR) and the state universities developed three programs: instruction, research, and public service. This report analyzes each of the three programs and makes recommendations for improving productivity and cost-effectiveness in each area. Because of the size and complexity of these program areas, our review focuses on selected issues in each area that affect all of the institutions or have major influence on the system.

Background

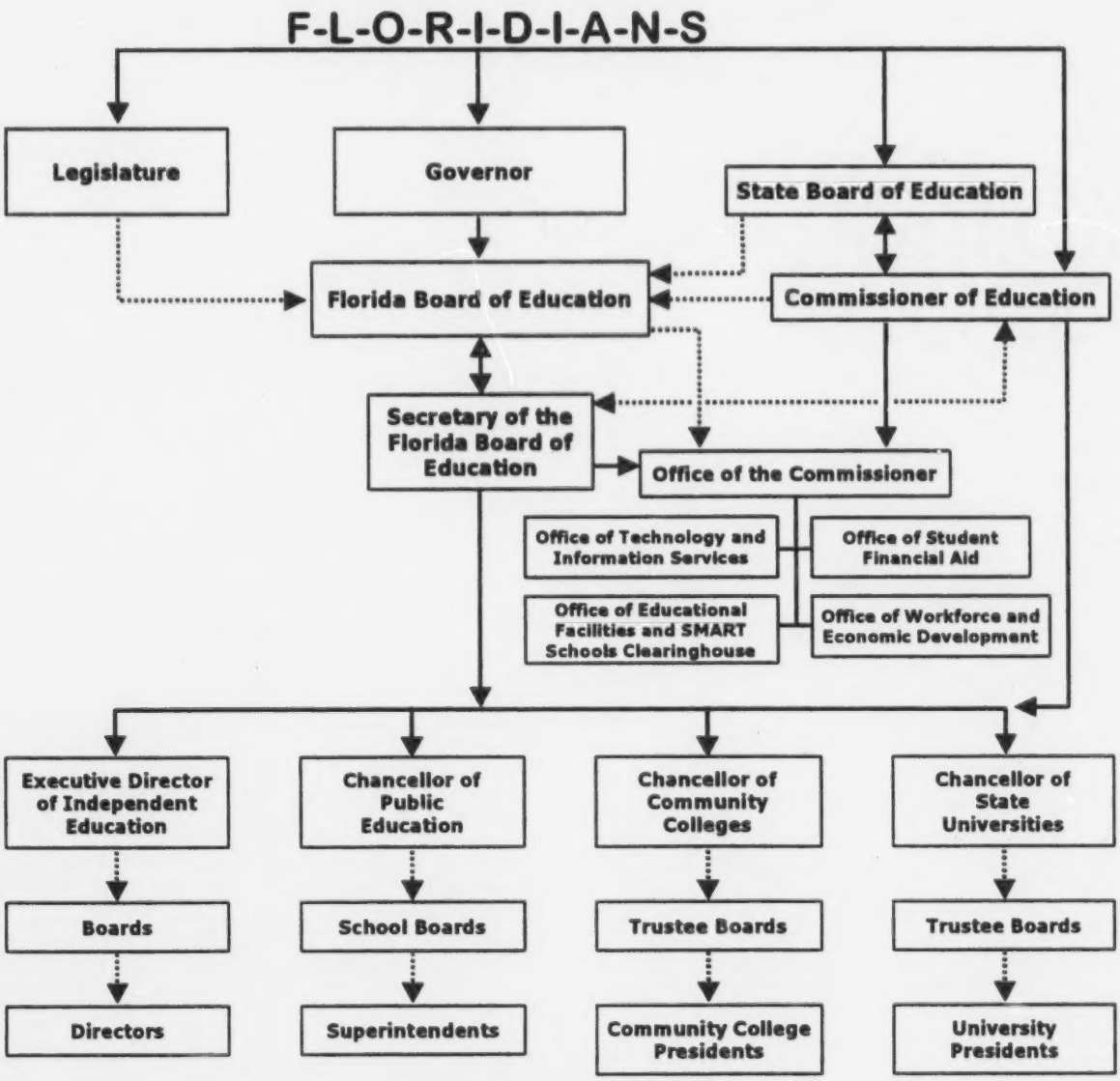
Changing governance

The governance of the State University System is undergoing a major reorganization. The 2000 Legislature passed the Florida Education Governance Reorganization Act of 2000.[3] This act created a task force to provide the Legislature with recommendations regarding the new governance structure. The Education Reorganization Task Force has met monthly since its formation in August 2000 and presented its recommendations to the Legislature in March 2001.

The 2001 Legislature passed the Florida Education Governance Reorganization Implementation Act. This act sets out the process by which the K-12, Community College, and State University Systems will be merged into a seamless K-20 system. The act replaces the Board of Regents, effective July 1, 2001, and transfers the board's powers and duties to local boards of trustees for each university and the newly created Florida Board of Education (see Exhibit 1.)

[3] Chapter 2000-321, *Laws of Florida*.

Exhibit 1
Transitional Organizational Structure for Florida's K-20 Educational System, Effective July 2001



Source: OPPAGA.

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The Florida Board of Education will oversee the entire K-20 educational system. However, until it is dissolved in 2003, the elected State Board of Education retains the authority to override actions of the Florida Board of Education. The new board of education will consist of seven members and a secretary appointed by the Governor and confirmed by the Senate. In addition to its responsibilities for K-12, community colleges, and independent schools, the Florida Board of Education will be responsible for several aspects of postsecondary education, including

- appointing the chancellor of colleges and universities;
- establishing a timeline for completing the reorganization into a K-20 system;
- recommending a coordinated budget for the K-20 system;
- establishing accountability standards for the K-20 system;
- establishing policies for university boards of trustees to follow in the selection of university presidents;
- developing criteria and implementation plans for the creation of new colleges and universities; and
- developing a coordinated five-year plan for postsecondary enrollment.

Local boards of trustees will manage each university. Each university will have a board of trustees consisting of 12 members appointed by the Governor and confirmed by the Senate, plus the college or university's student body president. The powers of the local boards include

- appointing a presidential search committee and selecting a nominee to be ratified by the chancellor of colleges and universities and the Florida Board of Education;
- reviewing the performance and compensation of the university or college president;
- developing a strategic plan in consultation with the president;
- developing an institutional budget request in consultation with the president;
- establishing tuition and fees within limits set by the Legislature;
- approving new, and terminating existing, undergraduate and graduate degrees up to and including master's degrees; and
- governing the admission of students to the college or university.

The Secretary of the Florida Board of Education will oversee the transition process. The Reorganization Implementation Act creates the position of Secretary to the Florida Board of Education to be appointed by the Governor. During the reorganization period the secretary will be charged with overseeing the process of creating a seamless K-20 educational system. In particular, the secretary will head an Education Reorganization Workgroup and a K-20 education leadership team. The

reorganization workgroup will be the Secretary of the Florida Board of Education, the Commissioner of Education, the executive director of Independent Education, and the chancellors of public education, community colleges, and colleges and universities, and the Governor or his designee. This workgroup will oversee the reorganization of the Department of Education. Members of the leadership team will be the Secretary of the Florida Board of Education, the Commissioner of Education, the executive director of Independent Education, and the chancellors of public education, community colleges, and colleges and universities. The team will be responsible for developing and maintaining the lines of communication within the reorganized department to ensure the creation of a seamless agency.

Finally, the Reorganization Implementation Act creates one new university, converts a community college into a four-year college, and establishes two campuses of the University of South Florida as separate institutions.

- New College, located in Sarasota and currently a part of the University of South Florida, is designated an independent college.
- St. Petersburg Junior College is redesignated St. Petersburg College and has been granted authority to offer selected undergraduate degrees in fields such as nursing, education, and others that meet community needs.
- Beginning no later than July 1, 2002, the University of South Florida St. Petersburg and the University of South Florida Sarasota/Manatee, now currently branch campuses, will seek separate accreditation. Under the reorganization act both institutions receive fiscal autonomy, a campus executive office appointed by the president of the University of South Florida, and a local governing board appointed by the University of South Florida Board of Trustees.

Missions and classifications

Florida's 10 institutions range greatly in their individual missions and goals. However, all Florida universities adhere to three traditional roles: instruction, research, and public service. Instruction transfers knowledge and encourages the development of informed citizens. The instruction program culminates with the conferral of bachelor's, master's, and doctoral degrees. The research program provides for the advancement of society by creating new knowledge and new applications of knowledge. The public service program extends the university into the community, allowing faculty and students to share their expertise and help solve public problems.

All Florida universities adhere to three traditional roles: instruction, research, and public service

All state universities engage in instruction, research, and public service, but the emphasis on each program varies significantly. Recognizing this diversity, the Board of Regents adopted a classification plan that groups the universities according to their missions and characteristics. The BOR expects the classification plan to help each university focus on its primary mission. The Legislature and the Board of Regents expect Florida universities to enhance programs central to their mission, and to develop new programs that fit with their classification. Universities can change their classifications as they grow.

The classifications guide policy decisions such as whether to increase an institution's undergraduate or graduate level programs and what proportion of the state funding for research the institution will receive. In addition, the BOR's accountability mechanism uses the classification system when assigning the measures and standards each institution will be required to meet. Institutions are to be held most accountable for programs that fall within their classification and mission. As shown in Exhibit 2, Florida has four classifications for its 10 universities: Research I, Research II, Comprehensive/Doctoral, and Comprehensive.

Exhibit 2
Characteristics of University Classifications

Classification	Description	Percentage of Undergraduate Degrees	Percentage of Graduate Degrees	Percentage of Sponsored Research
Research I University of Florida Florida State University University of South Florida	Very large universities whose missions emphasize research and graduate programs.	51%	57%	76%
Research II University of Central Florida Florida International University Florida Atlantic University	Large universities placed in urban centers. These universities have graduate programs in selected areas and they expect future growth in graduate programs.	36%	32%	16%
Comprehensive/Doctoral Florida A&M University	Focuses primarily on undergraduate education with a selected doctoral program. Sponsored research is comparable to Research II.	4%	3%	5%
Comprehensive University of North Florida University of West Florida Florida Gulf Coast University	These universities are smaller than the research institutions. Their missions emphasize undergraduate teaching and growth is expected primarily at the undergraduate level.	9%	9%	3%

Source: Degree information comes from *1998-99 State University System Fact Book.* Research data are from OPPAGA analysis of the 1999-2000 Operating Budget.

Enrollment in the State University System

The size of the 10 universities in the State University System varies. Exhibit 3 shows the full-time equivalent (FTE) enrollment for each of the institutions from 1996-97 through 1998-99.

Exhibit 3
SUS Annual Full-Time Equivalent Enrollment

University	1996-97	1997-98	1998-99
Research I Universities			
University of Florida[1]	28,409	29,996	30,715
Florida State University	20,365	20,527	21,195
University of South Florida[1]	20,143	19,244	19,303
Research II Universities			
University of Central Florida	16,617	17,236	18,312
Florida Atlantic University	9,935	10,306	10,725
Florida International University	16,378	16,824	17,434
Comprehensive/Doctoral Universities			
Florida A&M University	6,898	7,582	8,064
Comprehensive Universities			
University of North Florida	6,201	6,423	6,697
University of West Florida	4,416	4,497	4,556
Florida Gulf Coast University[2]	0	1,266	1,558
Total	**129,362**	**133,901**	**138,559**

[1] Includes the Institute for Food and Agricultural Sciences and the Health Science Centers in count.
[2] Florida Gulf Coast University admitted students for the first time in 1997-98.
Source: *BOR Fact Book*, various years.

State University System Funding

Slightly less than one-half of the funding for the State University System comes from legislative appropriations

The total budget of the SUS has increased from $3.8 billion in 1997-98 to an estimated $5.1 billion in 2000-01 (see Exhibit 4). Slightly less than one-half of the funding for the State University System comes from legislative appropriations. The Legislature appropriated a total of $2.5 billion to the SUS for Fiscal Year 2000-01. The appropriations include funding to support Education and General (E&G) operations of the State University System, as well as individual appropriations to the Board of Regents, the medical centers at the University of South Florida and

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University of Florida, the Institute of Food and Agricultural Science at the University of Florida, and Public Education Capital Outlay (PECO) funding for facility construction.

Exhibit 4
State University System Operating Budget Has Increased

	1997-98	1998-99	1999-2000	2000-01 Estimated
General Appropriations for SUS				
Educational and General (E&G)	$1,499,046,318	$1,672,365,790	$1,892,292,658	$2,156,550,049
University of Florida, Institute of Food and Agricultural Sciences	126,585,641	115,985,731	117,012,057	123,693,136
University of Florida, Health Center	126,496,698	95,889,189	112,580,982	126,176,703
University of South Florida, Health Center	58,072,529	51,839,719	67,155,824	70,693,479
Board of Regents[1]	106,550,013	123,229,108	11,411,562	13,338,791
Total Appropriated	*$1,916,751,199*	*$2,059,309,537*	*$2,200,453,083*	*$2,490,452,158*
Other Statutory Authorized				
Contracts and Grants	$670,737,852	$749,490,241	$796,895,052	$944,434,774
Auxiliary	401,624,909	430,527,951	457,621,123	551,151,179
Local Funds				
Student Activity	24,761,807	28,231,677	29,595,570	34,828,496
Intercollegiate Athletics	88,625,233	98,736,488	102,145,050	106,845,584
Concessions	2,270,288	2,798,476	2,924,276	3,520,963
Student Financial Aid	424,630,797	538,165,409	636,907,313	691,261,439
Self-Insurance Programs	11,463,986	12,898,650	15,088,282	16,818,416
University of Florida, Faculty Practice Plans	196,205,217	220,555,190	212,264,081	232,369,519
University of South Florida, Faculty Practice Plans	59,183,836	61,027,644	57,819,400	58,229,587
Total of Other Statutory Authorized Funds	*$1,880,003,925*	*$2,142,431,726*	*$2,311,260,147*	*$2,639,459,957*
Totals	**$3,796,755,124**	**$4,201,741,263**	**$4,511,713,230**	**$5,129,912,115**

[1] The expenditures for the Board of Regents 1997-98 and 1998-99 include administered funds. For 1999-2000 and 2000-01 these funds were transferred to E&G. For 1999-2000 these funds totaled $100,691,243.

Source: State University System Operating Budget Summaries.

The state uses four primary revenue sources to provide funds for state university appropriations. These are general revenue, lottery funds, other trust funds, and utilities tax receipts. Exhibit 5 describes these revenue sources.

Exhibit 5
States Sources of Appropriations Funding

Revenue Source	Description
General Revenue	A provision of state funds appropriated by the Legislature from tax revenues. This funding is used for General Educational purposes, and is the primary source of state funds for the Institute of Food and Agricultural Sciences at the University of Florida and for the Health Sciences Centers at the University of Florida and the University of South Florida.
Lottery Trust Fund for Educational Enhancement	A provision of state lottery funds appropriated for educational enhancement
Other Trust Funds	A provision of state funds appropriated by the Legislature from trust funds other than the Lottery Trust Fund.
Public Education Capital Outlay	A provision of gross tax receipts on utilities to fund appropriations for capital outlay.

Source: State University System of Florida Operating Budget.

The Legislature increased funding to the State University System in recent years. Total appropriations grew by 28% between Fiscal Years 1997-98 and 2000-01, from $2 billion to $2.6 billion, respectively. This growth can be attributed to increases in general revenue dollars and non-lottery trust funds (see Exhibit 6). Total general revenue for the State University System grew 29% while non-lottery trust fund appropriations grew 33% during the same time period.

Exhibit 6
State University System Appropriations

	1997-98	1998-99	1999-2000	2000-01
General Revenue	$1,435,921,942	$1,536,704,579	$1,771,979,756	$1,849,094,043
Lottery Funds	111,229,348	113,832,965	104,067,504	102,200,000
Other Trust Funds	467,192,620	589,058,560	526,998,158	619,717,887
Total	**$2,014,343,910**	**$2,239,596,104**	**$2,403,045,418**	**$2,571,011,930**

Source: Various General Appropriations Acts.

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In addition to appropriations, the SUS has several external revenue sources. These include student fees, research contracts and grants, and auxiliary programs such as the operation of residence halls and campus food services. Contracts and grants provide significant revenue for the SUS, particularly for the research program. Total contracts and grants for the State University System in Fiscal Year 1999-2000 exceeded $870 million. Over half of the contracts and grants revenues come from the federal government. Exhibit 7 describes these revenue sources.

Exhibit 7
External Revenue Sources

Revenue Source	Description
Sponsored Research (Contracts and Grants)	Funds generated by awards from federal, state, local, and private resources. Supports research, public service, and training.
Auxiliary Enterprises	Funds generated by ancillary support units on each university campus. The major activities are Student Housing, Food Services, Book Stores, Facilities Management, and Computer Support.
Local Funds	Local funds include revenue generated through the activity and service fees of the individual universities, intercollegiate athletics, and campus vending machines. Local funds are also used to track the university's responsibility for financial aid funds and for self-insurance.
Faculty Practice Plans	The revenue generated by the non-profit corporations that collect faculty billings for patient services at the University of Florida and University of South Florida Health Science Centers.

Source: State University System Operating Budget.

Chapter 2

General Conclusions

According to the constitution, education is "a fundamental value of the people of the state of Florida."[4] To support this value the state of Florida provides Florida's children education from kindergarten through high school. This gives every child in the state the opportunity to obtain a high school diploma. In today's competitive economy, however, a high school education often does not enable individuals to obtain high-paying jobs. It also does not meet the needs of businesses seeking highly skilled workers.

The State University System allows qualified Florida citizens to secure a college education. Individuals with college educations typically have higher incomes, live longer, and provide a higher quality of life for their children.[5] Even taking into account the costs, tuition and income that would have been earned working during that time, a college education provides about a 12% return on the investment.[6]

A college education also provides other benefits to the state and its citizens. A college-educated populace benefits the state through

- increased tax revenues;
- increased economic activity and growth;
- increased charitable contributions;
- higher rates of voting;
- decreased crime;
- decreased reliance upon public financial support; and
- decreased use of medical facilities.

To achieve these benefits, however, potential students must have access to a community college or university. Although private universities can provide these benefits, their high costs may make them inaccessible to many individuals. By providing a system of public universities, the state lowers the cost and increases the accessibility of a college education. Thus, although the State University System may not be an essential state function, it provides public benefits to both the individuals that attend state universities and to the general public.

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[4] The Constitution of the State of Florida, Article IX, Section 1.

[5] *Reaping the Benefits: Defining Public and Private Value of Going to College.* The Institute for Higher Education Policy, 1998.

[6] *The Economic Value of Higher Education,* Larry Leslie and Paul Brinkman, 1988.

Performance

The performance measures can be used to draw conclusions about the instructional program, but their usefulness in assessing the research and public services programs is limited

As required by the Legislature, the State University System maintains and reports information about its system-wide performance. In addition, as mandated by the 1991 Legislature, the Board of Regents has implemented an ongoing system for assessing the performance of individual universities. The Board of Regent's system uses many performance-based program budgeting (PB^2) measures but augments them with other measures that are useful for management purposes. These internal measures include student satisfaction with academic and other student-related support services, percentage of increase in endowment funding, total amount of donated funds, and cost per full-time equivalent student by level (lower, upper, graduate I, and graduate II).

The information provided on some of the performance-based budgeting measures can be used to draw conclusions about the State University System's instructional program. However, the usefulness of these measures in assessing the research and public services programs is limited. Some of the instructional measures have data limitations while others have limited value when measured on a statewide basis. For example, the percentage of students employed at $22,000 per year is limited to only students remaining in Florida. Similarly, the percentage of instructional effort provided by faculty is useful for individual universities, but not on a system-wide basis. Appendix A lists all of the PB^2 measures for these programs along with comments regarding each measure.

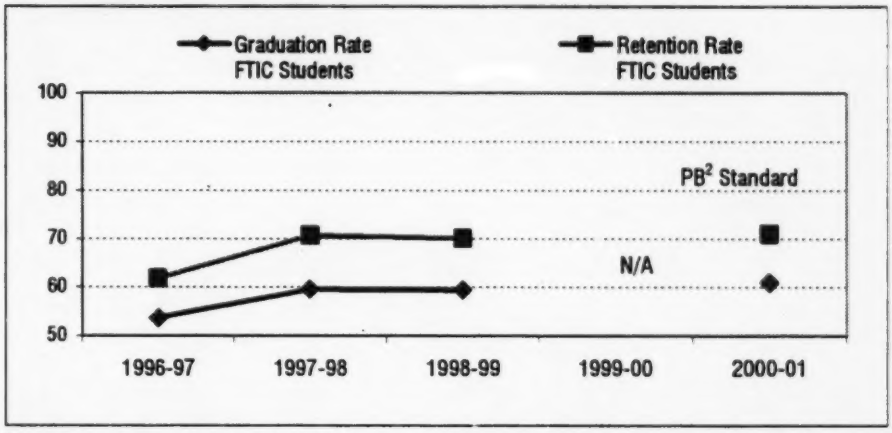
The instructional program is providing value

The instructional program is successful in graduating a majority of its students. In Fiscal Year 1998-99 Florida's public universities granted nearly 35,000 bachelor's degrees. In addition, 59% of the first-time-in-college students entering universities received their degrees within a six-year period. When you include graduates and students still pursuing their degrees, the proportion of successful students increases to 70%. In addition, in Fiscal Year 1997-98, 76% of the graduates who remained in Florida had incomes of $25,000 or more within five years of their graduation.[7] Finally, as shown in Exhibit 8, the instructional program has improved over the last three years, with graduation and retention rates improving between 1996 and 1997 and remaining stable in 1998. The high

[7] Retention rates measure the percentage students entering college who remained enrolled or graduated within a given period of time. Someone who has not graduated but is still in school may eventually obtain his or her degree. In contrast, someone who has not graduated and is not still in school may not obtain a degree. More current information for retention and graduation rates is not available.

retention rate helped earn the state a B+ in a recent report card for higher education systems. However, as discussed below, the state scored poorly in several other areas.

Exhibit 8
Percentage of First-Time-in-College Students Retained or Graduated Within Six Years



[1] Retention rates are the extent to which students entering college graduate or remain enrolled in classes.

Source: OPPAGA analysis of BOR data.

Most applicants receive admission to a university within the SUS. Approximately 93% of Florida's applicants who meet standards for admission into one or more of the state's universities are admitted as first-time-in-college students (FTICs). This indicates that access to the system currently may not be a problem. However, not all of these students were admitted to the school of their choice. Since the research universities have higher admission standards than the non-research universities, some students who qualify for admittance into the State University System did not qualify for admission into these universities.

In the future, however, as the number of students seeking admittance to the State University System increases, access may become a problem. To deal with potential access problems, the efficiency of the system can be improved. In 1998-99, the average student enrolled in 14.8 more hours than they needed to graduate, and 5.9 hours more than the amount deemed acceptable by the Legislature. The state paid $53.3 million for the hours in excess of graduation requirements or $21.1 million for the hours in excess of the legislative standard. If students graduated with fewer excess hours, universities could accommodate more students. Chapter 3 discusses ways for the university system to improve access by taking steps to reduce excess hours and developing new instructional technologies.

Limited information is available to assess the research and public service programs

External financial support for the research program has significantly increased. In Fiscal Year 1998-99, the universities received $749 million in external support. In the following fiscal year, they received $797 million, a 6% increase. The size and growth of grant awards indicates that the program has value to those entities that support it, such as the federal government. To reflect this, current measures for the research program include external dollars generated. Current measures also include the number of publications, an indication of value faculty at other institutions place on research within the SUS. However, these two measures do not describe benefits of the research program or who receives them.

The only system-wide measure for public service is the percentage of faculty time allocated to public service that is devoted to public schools. Data on this measure are not available. However, even if data had been available, information about the public service program would have been limited because the measure does not provide information about the many other types of public service the universities perform.

Some of the limitations of the measures for the research and public service programs are due to the diversity of the programs and the long-term nature of the benefits they provide. In addition, the two programs overlap, so developing separate measures for them is challenging. However, as discussed in Chapter 4, we believe that improvements in the measures will provide the Legislature with more useful information about these programs.

Florida scores average to low on national report card

Florida scores average or poor when compared to other large states, but when compared to southern states scores closer to average

The National Center for Public Policy and Higher Education released a report card of higher education systems in all 50 states. The report card compares all of Florida's universities and community colleges as a group to the rest of the nation. The report card includes private universities and community colleges which currently enroll about 71% of the postsecondary students in Florida. As a result, the State University System bears only partial responsibility for the grades in the report card. Exhibit 9 shows that Florida scores average or poor when compared to other large states. However, when compared to southern states, Florida generally scores closer to average. The report card rates higher education systems based on preparation, participation, affordability, completion, and benefits.

- Preparation measures the extent to which Florida's K-12 students score well on national assessment tests, take higher-level college preparatory courses, and graduate with high school credentials. Florida's "C" is the result of generally average or low scores on all of these measures.
- Participation measures the percentage of young adults enrolled in college and the percentage of working-age adults enrolled in some type of postsecondary education. Florida's D+ is due primarily to the low percentage of high school freshman enrolling in a community college or four-year college within four years. A low score on this measure could be due to a high number of high school dropouts or a low number of high school graduates attending college immediately after graduation.
- Affordability measures the ability of families to pay for college, the availability of need based aid, and dependence on student loans. Despite having low tuition, Florida receives a D for several reasons:
  - fees, books, and room and board constitute the majority of college costs and this is only partially offset by low tuition;
  - Florida's low median family income makes it difficult for many families to afford tuition, fees, and room and board, particularly at private colleges and universities; and
  - Florida's Bright Futures program offers extensive merit-based financial aid. However, the report card considers only need-based aid.
- Completion measures the percentage of students who attain a bachelor's degree within five years and the number of degrees, certificates, and diplomas awarded per 100 students. Florida's score of "B+" is due to high retention rates while the state's relatively low five-year graduation rate for bachelor's degrees prevented the achievement of a higher grade. This is Florida's highest grade, which is directly related to completion rate being one of the accountability measures for the SUS.
- Benefits measures the percentage of population 25 to 65 with a bachelor's degree, the increase in personal income attributable to the percentage of population with bachelor's degrees, the percentage of people voting and contributing to charity, and the percentage of adults demonstrating high-level literacy. Florida's grade of C- is largely due to the low percentage of adults with bachelor's degrees, the low median income of the state, and the generally low adult literacy scores. In theory, if Florida improved the percentage of adults with bachelor's degrees, the remaining measures would improve over time.

Exhibit 9
Florida Scores Generally Average to Low on Higher Education Report Card

	Grade	Preparation	Participation	Affordability	Completion	Benefits
Large States	A	IL	IL	CA & IL	PA	
	A-				NY	
	B+		CA & MI		[redacted]	CA
	B	MI & NY				MI & NY
	B-		NY			IL & PA
	C+	PA			IL & MI	
	C	[redacted]	PA	MI, NY, & PA	CA	TX
	C-	CA				[redacted]
	D+		[redacted]		TX	
	D		TX	[redacted]		
	D-			NY		
	F					
Southern States	A			NC		
	A-					
	B+				[redacted]	VA
	B	NC & VA		KY	SC & VA	
	B-		VA		AL & GA	SC
	C+		AL	MS	MS	
	C	[redacted]		SC, TN, & VA	LA, TN, & WV	AL, GA, & MS
	C-	SC & TN		LA	KY	[redacted]
	D+	GA & WV	[redacted]	GA		LA, NC, & TN
	D	MS	KY & NC	[redacted]		KY
	D-		SC & TN			
	F	AL & LA	GA & LA			WV

Note: Large states include California, Illinois, Michigan, New York, Pennsylvania, and Texas. Southern states include Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

Source: *Measuring Up 2000: The State-by-State Report Card for Higher Education.* The National Center for Public Policy and Higher Education.

Of the five areas graded, the State University System has the most influence over completion. However, since many students transfer from community colleges or private universities, the overall completion rate will depend on the SUS, the community college system, and private universities. The Florida Legislature has made raising the completion or graduation rate a priority. It is a component of the State University System's accountability plan and it is a major purpose of the "2+2" system.

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As a result, Florida receives its highest grade in this area. This suggests that when the Legislature demands accountability for a given area, the SUS can achieve high standards. However, some of the criteria used to grade Florida's postsecondary system are beyond the control of the SUS; the remaining areas are functions of state demographics, state law, the action of the K-12 education system, community colleges, and private universities.

Increased accountability will improve Florida's educational system

As Florida moves to the new K-20 governance system, the Florida Board of Education and the chancellor of Colleges and Universities will establish accountability systems and measures for both the K-12 and postsecondary systems. As with the completion rate, such accountability should improve Florida's educational systems. However, if the Legislature wants to address these grades directly, it should focus on

- need-based aid for both public and private institutions;
- K-12 achievement, particularly on national assessment tests;
- ensuring that Florida has enough spaces within the higher education system to accommodate its high school graduates; and
- ensuring that Florida's high school graduates have financial assistance to access to higher education programs.

Chapter 3

Instructional Program

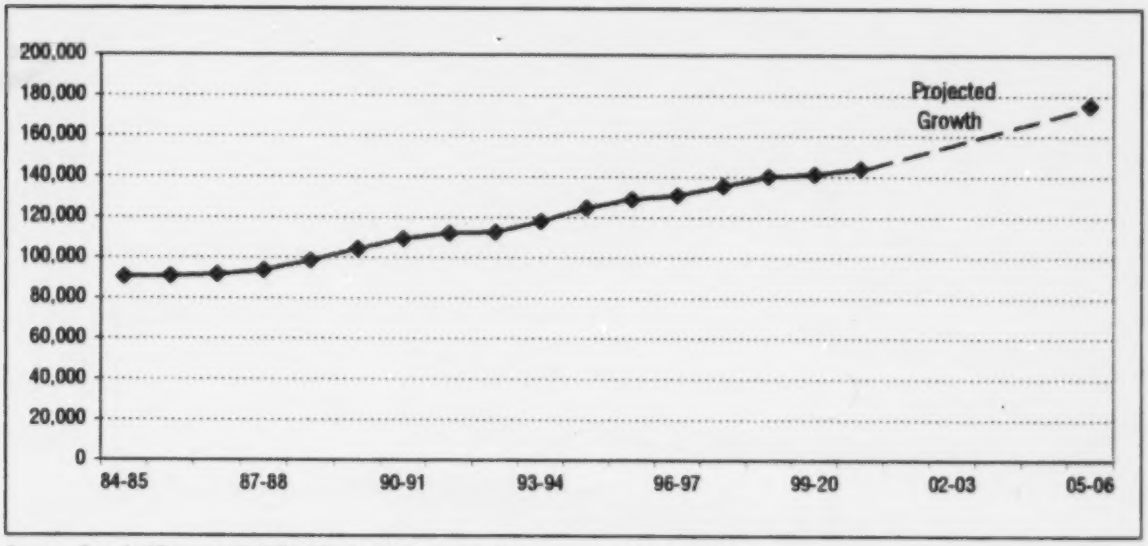
The first mission of the State University System is to transmit knowledge. Universities preserve the bodies of knowledge accumulated over the centuries and pass that knowledge on to students. This aids in the continuation and expansion of knowledge and provides for an informed citizenry. However, in order for the SUS to successfully carry out this mission, students must have adequate access to degree programs.

Over the last 10 years admissions to universities have increased 32%

The number of students seeking access to the university system is increasing. As shown in Exhibit 10, over the last 10 years, the number of students admitted to universities grew by about 32%. As Florida's population grows, this trend is expected to continue. Exhibit 11 shows the expected growth in the number of Floridians aged 18 to 24 and the anticipated enrollment growth in the State University System. Thus, although access to the university system as a whole is not a current problem, anticipated growth in the number of students seeking admission to the state's universities could create future access problems. [8]

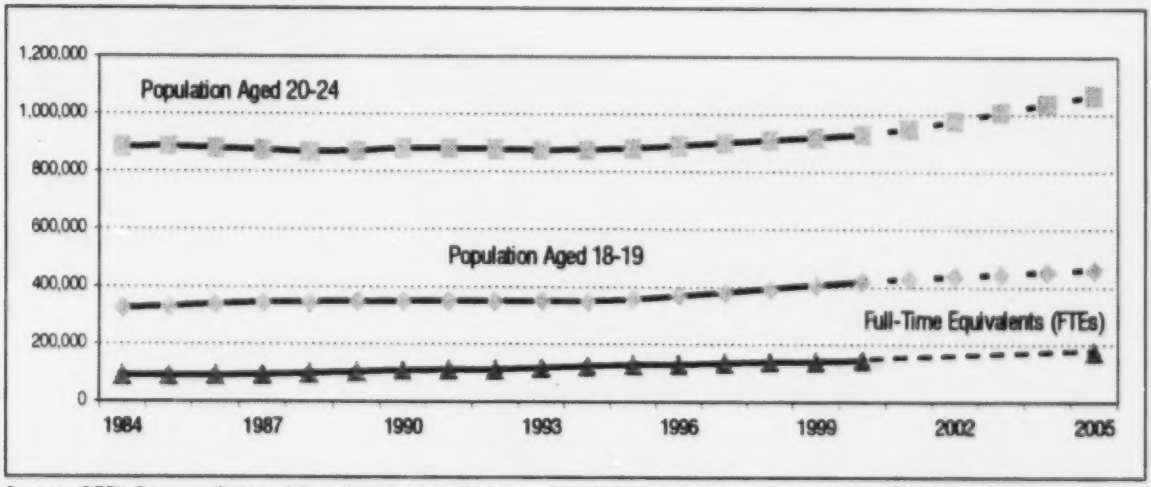
[8] Standards for admission to the various universities vary. Therefore, many students who meet the criteria for admission to one or more of the state universities may not meet the criteria for admission into the research universities. Therefore, students who met the Board of Regent's requirements for admission may not have met the admission standards of some research universities.

Exhibit 10
Over the Last 10 Years, the Number of Full-Time Equivalent Students in State Universities Has Increased by 32%



Source: Board of Regents 1999 Fact Book. More current data are not readily available.

Exhibit 11
Anticipated Enrollment Growth Reflects Forecasted Growth in Floridians Between the Ages of 18 and 24



Source: OPPAGA compilation of data from the Board of Regents and the Office of Economic and Demographic Research.

A report by the Postsecondary Education Planning Commission indicates that Florida has statewide needs for additional baccalaureate programs. In particular, some Floridians may wish to obtain degrees or take university courses without relocating to the areas where the state universities are located. These individuals would need greater geographic access to the universities' instructional programs.

The State University System can take steps to improve the efficiency of and access to its instructional programs. These steps, which are more fully described later in this report, include

- reducing the number of excess hours students take before graduating and
- making more efficient and effective use of new instructional technology through distance learning.

Reducing Excess Hours

Excess credit hours cost the state $22.1 million in 1998-99

Excess hours occur when students take classes that they do not need to meet graduation requirements or when they withdraw from or fail the courses they enroll in. For example, if a student enrolls in courses with 150 credit hours, but only needs 120 to graduate, the student graduates with 30 excess hours. Excess hours are costly to the state, which pays, on average, about 78% of the cost of all credit hours taken by in-state students. Excess hours also can create access problems because students taking more classes than they need to graduate fill classroom space that could have been used by other students. Although some excess hours are unavoidable, the number of excess hours students enroll in should be limited.

The Legislature has expressed concern over the number of excess hours students enroll in and has taken steps to limit these excess hours. In 1997-98, the Legislature created an incentive fund that, among other things, was intended to reward universities for students who graduated with fewer than the legislative standard for too many excess hours. This standard was that, on average, students should graduate with no more than 115% of the hours needed to earn their degrees. In 1997 the Legislature also imposed a higher registration fee for students who enrolled in the same course three or more times. However, neither of these incentives have been in place long enough to have an effect on excess hours. Furthermore, the incentive fund was less than 1% of the SUS budget, which may not be sufficient to greatly influence performance. The 2000 Legislature discontinued its appropriations for the incentive fund.

As shown in Exhibit 12, 1998-99, graduates averaged a total of 14.8 excess credit hours, or 5.9 hours over the 115% legislative standard. Based on the estimated average expenditures per credit hour, these excess hours cost $54.8 million for the 14.8 hours in excess of degree requirements or $22.1 million for the 5.9 hours in excess of the legislative standard.

Exhibit 12
In 1998-99, Graduating Students Had Average Excess Hours Equivalent to a Full Semester of Courses

University	Number of Graduates	Average Hours Over Legislative 115% Standard	Cost for Excess Hours Over Legislative 115% Standard	Average Hours Over Graduation Requirements	Cost for Excess Hours Over Graduation Requirements
Research I Universities					
University of Florida	6,641	6.8	$ 4,907,907	17.1	$ 12,397,654
Florida State University	4,389	5.0	2,560,133	14.5	7,438,440
University of South Florida	4,376	5.8	3,256,801	14.6	8,139,987
Research II Universities					
University of Central Florida	5,054	3.7	1,630,247	11.2	4,911,210
Florida Atlantic University	2,435	4.4	1,551,594	13.0	4,563,048
Florida International University	3,582	5.9	2,276,526	12.9	4,965,709
Comprehensive Doctoral Granting Universities					
Florida A&M University	1,154	18.0	3,761,328	32.2	6,712,004
Comprehensive Universities					
University of North Florida	1,634	6.0	1,212,639	14.8	3,006,148
University of West Florida	1,197	4.9	911,571	13.0	2,409,077
Florida Gulf Coast University	191	0.5	62,002	2.0	233,890
SUS Average		5.9		14.8	
SUS Total	30,653	179,741	$22,130,749	452,899	$54,777,167

Note: The cost to the SUS is calculated by deducting the estimated average student tuition fees per student credit hour from the SUS total expenditures per student credit hour. The SUS expenditures per student credit hour are then multiplied by the number of excess hours. The 1998-99 graduates could have taken excess credit hours in a different year. Cost information from 1996-97 is used to reflect the average cost across a five-year matriculation period.

Source: OPPAGA analysis of SUS students based on BOR Hours to Degree file.

Excess hours fall into two categories

Students have different reasons for taking excess hours. To determine some of these reasons, we examined data regarding all college credits earned for all students who graduated during 1998-99. We also interviewed administrators, faculty, and students at the universities.

Based upon this information we determined that excess hours can be classified into two broad areas:

1. courses that students successfully complete, but do not need to obtain their degrees, and
2. courses that students drop or fail.

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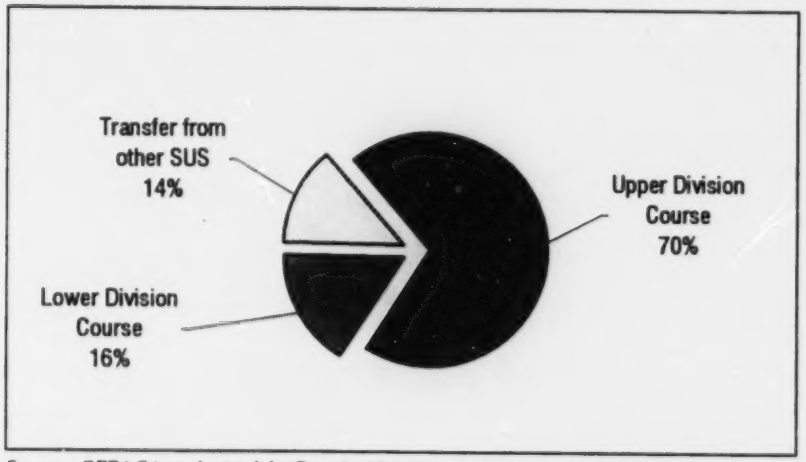
Excess hours due to successfully completed courses

For 1998-99 graduates, 43% of the excess hours were due to hours students successfully completed, but did not need to earn their degree. As shown in Exhibit 13, about 70% of successfully completed excess credits were from upper division courses, those at the junior or senior level.

Exhibit 13
70% of Successfully Completed Excess Credit Hours Were Upper Division Courses

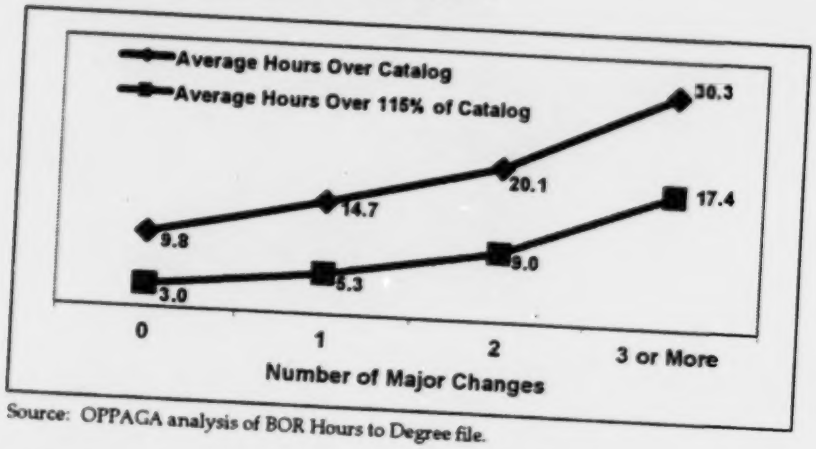


Source: OPPAGA analysis of the Board of Regent's 1998-99 Hours to Degree file.

Several factors appear to contribute to students taking courses they do not need to graduate. These are discussed below.

Changes in majors. Students who change their majors frequently take excess hours because some classes taken to pursue their first major do not count toward their eventual degree. For example, students who change their majors from English to marketing may find that a math course taken for the English degree will not count towards a marketing degree. As shown in Exhibit 14, students who changed majors one or more times had more excess hours than students who did not change majors, and the more students changed majors the more excess hours they accumulated.

Exhibit 14
Changing Majors Results in Excess Hours



Source: OPPAGA analysis of BOR Hours to Degree file.

Course scheduling problems. Scheduling problems sometimes prevent students from taking the courses they need to graduate at the time they need to take them. For example, students should take courses that are prerequisites to their majors in their freshman or sophomore years. However, if scheduling problems prevent them from taking these prerequisite courses in their first two years, students may instead take courses that will not contribute to their graduation requirements. Students in our focus groups cited scheduling problems as a source of excess hours.

Articulation problems. Articulation problems occur when community college students transfer to universities without taking the lower-level courses that are prerequisites for their majors. When this occurs, students usually end up taking more hours than needed for graduation. A forthcoming OPPAGA report will discusses articulation problems and make recommendations to minimize these problems.

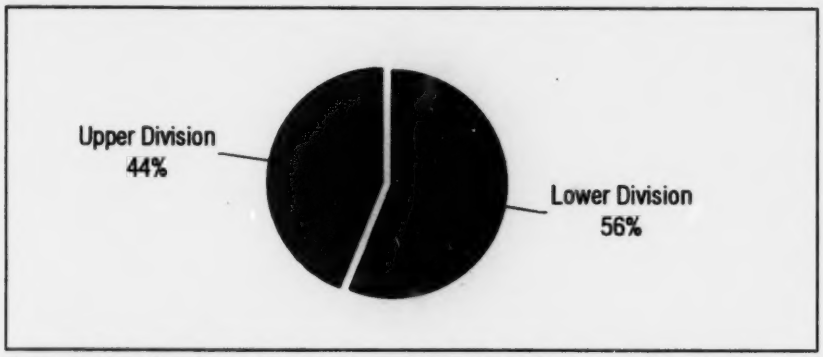
Desire to take additional classes. Students sometimes want to take courses they do not need for graduation. For example, to improve their chances of getting good positions in their chosen careers, some students may wish to obtain additional minors while they are in school. Other students may simply have interests outside of their chosen major. Students in our focus groups believed that they should be able to take courses that did not count toward their graduation without penalty.

Desire to maintain full-time status. Many forms of financial aid require students to enroll full-time. As a result, some students will take courses they may not need for graduation but do need to receive financial aid. For example, students who need only one or two courses to graduate may still take four courses to maintain their status as full-time students.

Excess hours from courses students drop, fail, or repeat

Dropped, failed, or repeated courses accounted for 57% of the excess hours in 1988-1999. To understand the types of courses that students commonly withdraw from or fail, we examined the outcome of every course taken in Fall 1999. As shown in Exhibit 15, 56% of failed or withdrawn courses were lower division while 44% were upper level courses. The total state cost of these unsuccessful hours was $32.1 million.

Exhibit 15
Failed and Withdrawn Credit Hours by Level of Class



Source: OPPAGA analysis of the Board Regent's Fall 1999 Student Course Data file.

When students drop, fail, or repeat courses, they exacerbate access problems by reenrolling in classes that many students need to take. This uses classroom space needed by other students. As shown in Exhibit 16, eight basic courses that are either required for graduation or are prerequisites to popular majors (e.g., business administration) accounted for 30% of the lower level courses that students withdrew from or failed. In some of these classes, such as the three math classes, more than one-third of the students failed. In others, such as the composition or macroeconomics courses, the percentage of students who failed or withdrew is lower, but the high number of students enrolled in these classes resulted in a large number of lost credit hours.

Exhibit 16
Eight Courses Accounted for 30% of Lower Level Failures and Withdrawals During the Fall 1999 Semester

Course		Percentage of Students Who Failed or Withdrew	Total Credit Hours Failed or Withdrawn	Cost to SUS
MAC1102/1105	College Algebra	33.8%	7,968	$ 601,441
ENC1101	Freshman Composition	9.4%	5,016	619,589
ACG2021	Intro to Financial Accounting	30.3%	4,817	266,777
MAC2311	Analytic Geometry and Calculus 1	34.2%	4,780	360,815
MAC2233	Calculus	35.6%	3,828	288,947
BSC1010	General Biology	34.7%	3,548	431,871
ECO2013	Principles of Macroeconomics	15.3%	3,501	129,371
CHM2045	General Chemistry	19.5%	3,469	525,632
Total Credit Hours Failed or Withdrawn			36,927	
Percentage of All Lower Division Failures and Withdrawals			30.1%	
Total Cost to the SUS				$3,224,443

Note: The cost to the SUS is calculated by deducting the estimated average student tuition student credit hour from the SUS total expenditures per student credit hour based on the CIP code of the course. The SUS expenditures per student credit hour are then multiplied by the number of excess hours.

Source: OPPAGA analysis of SUS students based on BOR data.

Three reasons students withdraw from, fail, or repeat courses are somewhat different from the reasons they take courses they do not need for graduation.

Inadequate basic skills. Some students do not have the basic skills they need to successfully complete a course. When this occurs, they often drop or fail the course. In addition, when students do poorly in a course, they sometimes will repeat it in an attempt to improve their grades. In 1998-99, repeated courses accounted for 20% of all credit hours that students failed, withdrew from, or repeated.

Poor study habits. Some students do not do the work needed to pass the class. Common problems include failure to attend classes and failure to complete homework assignments.

Personal reasons. Some students withdraw from courses due to personal reasons, such as health, family, or employment problems.

Employing strategies to reduce excess hours

Although the potential factors contributing to excess hours are known, the extent to which each of these factors contributes to the problem is unknown and may vary by university. However, a small percentage of the students account for a large portion of these excess hours. As shown in Exhibit 17, 19% of all students accounted for over 56% of the hours in

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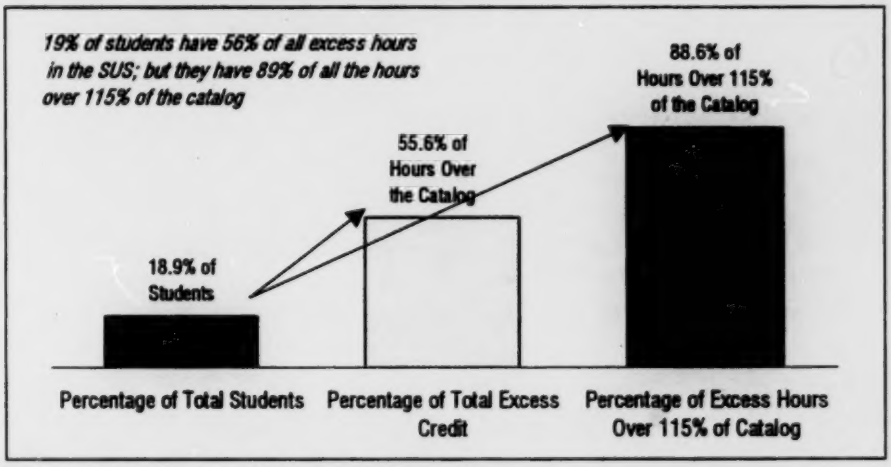
excess of course requirements and 89% of the hours over the legislative standard of 115%.

Exhibit 17
Only 19% of Students Produce 89% of the Hours Over 115% of the Graduation Requirements


19% of students have 56% of all excess hours in the SUS; but they have 89% of all the hours over 115% of the catalog
88.6% of Hours Over 115% of the Catalog
55.6% of Hours Over the Catalog
18.9% of Students
Percentage of Total Students
Percentage of Total Excess Credit
Percentage of Excess Hours Over 115% of Catalog

Source: OPPAGA analysis of BOR Hours to Degree file.

By identifying and focusing on students who accumulate large amounts of excess hours, universities could adopt strategies to reduce the excess hours students take. For example, since the students identified above tend to be male, first time in college (FTIC) students, universities could target that population for counseling. Although some of these strategies may appear obvious, not all universities have implemented them, in part because some members of the academic community did not appear to believe that excess hours are a problem. Strategies to reduce excess hours could include those discussed below.

Intensive counseling. If students are frequently changing majors or are not aware of the prerequisite courses they need to take, improvements in counseling could help them make better decisions. The University of Florida has developed an automated system to help inform students about the prerequisite courses they need for their majors. Officials at several universities said that they are making improvements in their counseling programs to address problems with excess hours.

Improved scheduling of high demand or required classes. If scheduling is a problem, universities could take steps to ensure that they have scheduled sufficient classes to meet demand. They can also take steps to eliminate scheduling conflicts. For example, universities could offer courses that are prerequisites for a given major at different times.

Improved identification of and providing remedial programs for students who need better academic skills. If students are failing or withdrawing from courses because they are not academically prepared to

take them, universities could take steps to identify those students and arrange for remediation or tutoring. This may require universities to rely less on standardized placement tests, such as the SAT or ACT, for making decisions about where to place students. The Board of Regents requires universities to assess the basic computation and communication skills of all first-time students, and the standard test for this purpose is the Florida College Entry-Level Placement Test. This is a diagnostic test that determines areas in which students are not adequately prepared for college-level work. However, universities have the option to exempt from testing those students who achieve SAT or ACT scores that are above a defined minimum, and universities often use this option even though these tests are not designed to provide diagnostic information. Universities may wish to reexamine their use of these exams.

After identifying students with poor academic skills, universities should develop strategies to improve their skills. One university has taken steps to do this. FAMU has reviewed its lower-division students to identify those who appear at risk of failure. It also has provided tutoring to students who need additional preparation in areas considered to be critical to their academic success. However, since this is a relatively new effort, its success has yet to be determined.

Improved motivational techniques. If students have not developed good study habits, universities should actively intervene to motivate them to change their behavior. Methods that universities could use to accomplish this could include reducing the time students have before they decide to drop a course and creating economic and other disincentives for students who repeatedly enroll in the same courses. FAMU has tried to motivate students to do the work needed to pass an entry-level math course the first time they take it by eliminating the course from its schedule for spring semester. This forces students who fail or withdraw from the course to retake it during the summer semester. Since most students try to avoid going to school in the summer, this could better motivate them to work harder to successfully pass the class in the fall.

In addition, if the Legislature wants to strengthen the disincentives it provides for students who take excess courses, it could consider a proposal to charge students higher tuition rates for courses that exceed 115 % of the hours required for a degree. In 1994, North Carolina imposed a policy of charging students 25% more for hours in excess of 110% of the amount needed for a degree. The results, while still preliminary, indicate that since 1994 the average credit hours attempted and the average hours earned by North Carolina graduates have decreased.

Using Distance Learning

In 1999-2000, 49,398 students enrolled in distance learning courses

Distance learning can increase geographical access to universities by enabling students to take courses without living near a college campus. Distance learning refers to technology–assisted instruction that allows students to take university courses without being physically present in traditional classrooms. As shown in Exhibit 18, distance learning consists of a variety of techniques, some of which universities have been using for a number of years. However, due to technological advances such as the Internet, the variety and use of distance learning techniques is now greatly increasing.

Exhibit 18
Distance Learning Technologies Used in Florida Universities

Type of Technology	Use for the Classroom
Audio and video-conferencing	Students in different locations watch or listen to the instructor live. The instructor can hear and, in some cases also see the students. Usually requires a specially equipped classroom.
Web and Internet based	Uses the Internet to provide email, real-time chat rooms, message centers, audio, video, and downloadable instructional materials/exercises.
Telecourses	Professionally produced and broadcast on local TV channels.
Videotaped courses	Self paced classroom sessions mailed to students, or provided to cohort groups meeting at off-campus sites with a mentor or facilitator.
Multi-media instructional materials	Simulations and classroom exercises and videos produced on CD-ROM, DVD, or diskette.

Source: OPPAGA, developed in conjunction with Board of Regents' staff.

Distance learning has many potential advantages.

- Distance learning can help reduce the need for physical classroom space and thereby reduce the demand for new facilities. By using distance learning technologies, universities may be able to increase their enrollment with fewer resources committed to facilities construction. Universities will only decrease the need for facilities if a high percentage of enrolled students do not attend other classes on campus.
- Distance learning can also allow students who cannot travel to university campuses to take classes. Many persons want to take higher education classes, but cannot move to an area where a university is located. Distance learning may enable these individuals to enroll in university courses.
- Distance learning can enable students to take a broader range of courses than those offered at their own university. When an individual university lacks sufficient enrollment to offer programs

such as the study of the classics, students can still access those programs through distance learning.

- Finally, distance learning can provide students with more flexible time management. Students who work part or full-time often have difficultly choosing courses around their work schedules. However, distance learning courses do not have to meet at a specific time. Instead, students can work on their courses any time during the week.

Distance learning classes have expanded in the SUS in recent years. In 1999-2000 49,398 students enrolled in distance learning courses, an increase of 22% from 1998-99. These students took 227,749 credit hours, an increase of 36%. During the same time 5,305 students enrolled in only distance learning courses, an increase of 36% over 1998-99.

In 1999-2000, 63 certificate or degree programs were available through distance learning in the SUS

Several universities offer degree programs that students can complete through distance learning. As shown in Exhibit 19, in 1999-2000, 63 certificate or degree programs were available through distance learning. Through these programs, students can obtain degrees with few or no visits to university campuses.

Exhibit 19
Several Universities Offer Degree Programs Taught Primarily Through Distance Learning

Degree Type	Program	Currently Offered at	In Development at (May Be Available)
Certificates	Certificate in Open and Distance Learning		FSU
	English for Speakers of Other Languages (ESOL) Endorsement for K-12	FGCU	
	Forensic Toxicology	UF	
	Gerontology	FGCU	
	Health Services Administration	FGCU	
	Infection Control		FGCU
	Public Management		FGCU
	Risk Management		FGCU
Bachelors	Computer Science		FSU
	Criminal Justice	FGCU	
	Electrical Engineering and Computer Science		UF
	Engineering	USF	
	Engineering Technology		UWF
	Fire and Emergency Services	UF	
	Health Sciences	FGCU	
	Independent Studies		USF
	Information Studies		FSU
	Interdisciplinary Social Science		FSU
	Legal Studies		FGCU
	Liberal Studies	UCF	FGCU
	Nursing	UCF, USF	FSU, FAU, FGCU

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Degree Type	Program	Currently Offered at	In Development at (May Be Available)
	RN to B.S. Nursing	FSU	FAU
	Software Engineering		FSU
	Vocational and Industrial Training	UCF	
Masters	Agriculture	UF	
	Business Administration (MBA)	UF, FGCU, FAU	
	Criminology and Criminal Justice		FSU
	Curriculum and Instruction—Educational Technology	FGCU, UWF	USF
	Educational Leadership—Administration		FSU
	Educational Media	UCF	
	Engineering	UF, USF	
	Health Administration	UF	
	Gifted Education		USF
	Health Science	FGCU	
	Industrial Chemistry, Forensic Science Track	UCF	
	International Construction Management	UF	
	Library Information Studies	FSU	USF
	Math Education	FSU	
	Mechanical Engineering		FSU
	Nursing	UF	
	Open and Distance Learning	FSU	
	Public Administration (MPA)	FGCU	
	Public Health (MPH)	USF	
	Science Education		FSU
	Speech and Language Pathology	FSU, UWF	
	Vocational Education	UCF	
Doctorates	Audiology	UF	
	External Doctor of Pharmacy	FAMU	
	Pharmacy	UF	

NOTES: The table identifies degree programs for which a majority of courses are offered using distance education delivery modes. Many of the distance education courses offered through the SUS are alternatives to traditional classroom instruction and are not intended to provide a complete distance education degree program. Some of the programs identified may be place-bound by virtue of delivery method or accreditation standards.

Programs listed do not include courses offered through the Florida Engineering Education Delivery System (FEEDS).

Sources: *An Overview of Distance Education in the State University System of Florida*. Board of Regents Draft Report combined with university web pages and interviews with university distance learning directors.

Several challenges must be overcome for distance learning to achieve its potential. These challenges include the instructional and strategic issues discussed below.

Maintaining instructional quality. Distance learning may not be appropriate for all students and courses. Some students may lack the self-discipline needed to succeed in distance learning courses that require independent work. Additionally, some subjects may require face-to-face interaction between faculty and students. Consequently, distance learning will likely supplement and not supplant traditional classroom instruction.

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Ensuring a complete college experience. Students who complete most or all of their coursework through distance learning will miss out on much the collegiate experience. For first-time-in-college students, universities offer more than classes; they offer the chance for unstructured interaction with students and faculty. This environment provides a form of academic socialization for the traditional on-campus student that is missed by distance learners.

Training faculty. Professors who teach through distance learning will need training in how to develop materials for these classes and how to teach using these methods. Most Florida universities have established resources or centers to assist faculty in enhancing their courses using technology. However, the extent to which universities train professors that teach through distance learning varies and not all professors using distance learning have received this training.

Containing costs. The cost of developing and operating distance learning courses can be significant. For example, video teleconferencing sites require substantial capital investments to construct and their hourly operating costs can be high. In addition, the costs to teach distance learning courses can also be high. Although instructors spend less time teaching in classroom, they can spend more time responding to questions they receive by e-mail or electronic bulletin boards.

Evaluating outcomes. Universities must ensure that distance learning courses and degrees maintain the same quality as their face-to-face counterparts. Universities need to track student outcomes in distance learning classes and compare them to similar traditional courses. Universities should track the number of failures and withdrawals as well as student progress in subsequent courses. Evaluation is especially important in determining whether some populations of students or some types of coursework are not suited for distance learning.

Although universities may be able to resolve some of these issues by themselves, resolving others may require strong planning and coordination within the SUS. The quick growth of distance learning in Florida's post-secondary institutions resulted in the formation of a team to define a statewide distance learning entity. The result of this effort was to create of the Florida Virtual Campus, a program that catalogs and markets distance learning courses offered by different learning institutions. The Florida Virtual Campus entails only voluntary coordination among universities. A stronger coordination mechanism may be needed to prevent unnecessary duplication of effort and contain costs.

Recommendations

To mitigate future access problems, we recommend that universities determine the characteristics of students who take excess hours and the

major reasons contributing to excess hours. Universities should then consider implementing some of the strategies mentioned on pages 24 to 26 or develop other strategies for decreasing the excess hours students enroll in. If legislative action is needed to implement some of these strategies, universities should recommend that the Legislature adopt legislation authorizing their implementation.

To ensure that distance learning courses fulfill their promise to increase access in a cost-effective manner, we recommend that the Legislature develop a mechanism for better coordinating the development of distance learning courses. The Legislature could assign this responsibility to a new division within the new education governance structure or delegate it an existing entity such as the Florida Virtual Campus.

Chapter 4

Research and Public Service

In 1998-99, universities directly expended approximately $1 billion on research and public service activities

Research and public service are the second and third missions of the State University System. For the research program, university faculty, staff, and students in all disciplines to pursue and expand the body of knowledge at its highest levels. For the public service program, university faculty and staff use their professional skills to assist individuals and groups in their communities, the state, the United States, or other countries. Research and public service complement the university system's instructional program by keeping faculty up-to-date in their knowledge of their fields and how that knowledge applies to real world situations. It also helps train students, particularly graduate students, how to apply various research techniques.

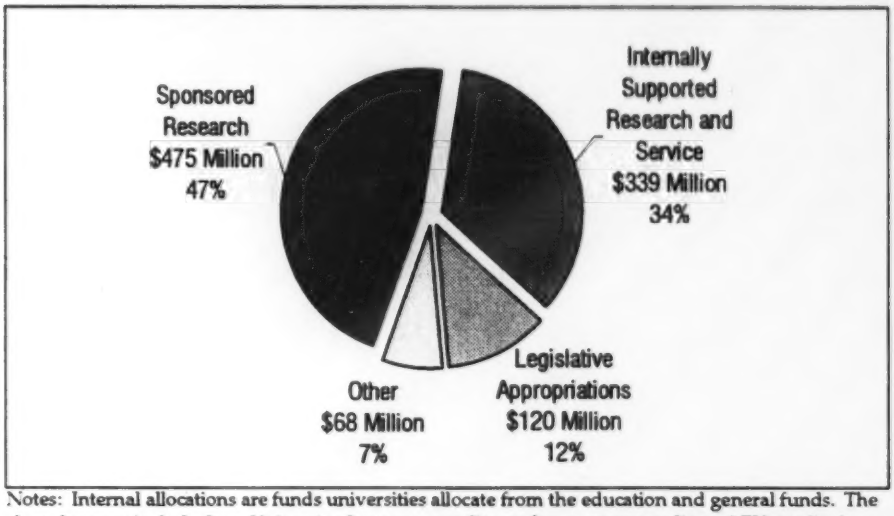
Research and public service activities are performed by individual faculty members or by various institutes and centers that are established to study and solve problems pertaining to certain topics or areas of study. These centers are classified as type 1, 2, or 3, depending on their missions and funding sources. Type 1 institutes and centers have statewide missions and receive state funding through legislative appropriations or university budget allocations. Type 2 institutes and centers have more limited missions but still receive state funds through budget allocations. Type 3 centers have a wide variety of missions but do not receive direct appropriations or budget allocations.

Research and public service programs receive most of their support in three ways: contracts and grants, legislative appropriations, and university budget allocations or allocated faculty time. First, research centers or university faculty and staff receive grants to support their research products. These grants come from a variety of sources, including federal and state government, and the private sector. Second, the Legislature directly appropriates funds to some research institutes and centers within the university system. Third, the universities support research and public service by allocating some of their Education and General funds to various research entities and by releasing faculty from some of their teaching hours and thereby freeing them to spend some time performing research or public service activities.

In 1998-99, universities directly expended approximately $1 billion on research and public service activities. Approximately $880 million of this was expended for research projects, and the remaining $122 million was spent on public service. Exhibit 20 shows both the dollar value and the percentage of research and public service expenditures funded by

external contracts and grants, direct legislative appropriations, university allocations from their education and general funds, allocated faculty time, and other sources. [9]

Exhibit 20
In Fiscal Year 1998-99, Universities' Received Research and Public Service Funding from a Variety of Sources



Notes: Internal allocations are funds universities allocate from the education and general funds. The chart does not include State University System expenditures for museums, radio and TV, medical clinics, or K-12 lab schools, nor does it include allocations for utilities, space, etc. The "other" category includes local funds and DSO's and components; "legislative appropriations" includes IFAS and the Health Science centers at the University of Florida and University of South Florida; and "sponsored research" includes contracts and grants and sponsored research overhead.

Source: Consolidated Report of Expenditures for 1998-99.

Accountability System

As with the instructional program, the State University System has PB² performance measures for each of the research and public service programs. The measures should indicate the overall efficiency and effectiveness of these programs. However, while the PB² performance measures provide a good understanding of the instructional program, the research and public service program measures offer a less detailed picture.

The PB² measures provide limited summary performance information about the universities' and their research institutions' and centers' research and public services activities. The only performance measures for the research program and public information programs are

[9] These other sources include local funds and direct support organizations such as bookstores.

- for the research program, average grant funds generated per ranked faculty member and average number of articles in the Institute for Scientific Information Publication publications count per ranked faculty member;
- for the public service program in the Institute of Food and Agriculture Sciences, the percentage of public service projects in which the beneficiary is satisfied with the extension service; and
- for the systemwide public service program, the percentage of faculty effort for public service that is devoted to public schools.

Exhibit 21 shows the research and public service performance accountability measures. The research program measures are good, but provide only indirect evidence of the quality of research. The research outcome measure shows that external support for research is increasing, which provides some indication about the quality of the research being performed. Similarly, the number of refereed articles measures the quantity of publications but the only measure of quality is that the article was refereed. [10] Neither measure provides information about the benefits derived from the research or who benefited.

Exhibit 21
Research and Public Service Performance on Accountability Measures

Research and Public Service Programs	1997-98	1998-99	1999-00
Research Outcome Measure			
Externally generated research and training grant funds per state funded ranked faculty (including special units)	$85,243	$94,100	$97,196
Research Output Measure			
Average number of articles in Institute for Scientific Information Publication Count per ranked faculty	0.71	0.75	0.72
Public Service Outcome Measure			
For IFAS only - the percentage of public service projects where the beneficiary is satisfied with the extension assistance	96.7%	98.2%	Not Available
Public Service Output measure			
Of total faculty effort allocated for public service, the percentage devoted to public schools	Not Available	Not Available	Not Available

Source: State University System Accountability Report.

The public service outcome measure applies to only one program and consequently provides very limited information. The public service output measure has been changed to the percentage of faculty members'

[10] The State University System uses a database of publications from the Institute for Scientific Information to calculate the number of refereed journal articles written by faculty within the SUS. A refereed article has been reviewed anonymously by experts within the field and determined to be worthy of publication. Refereed publications are typically considered more prestigious than non-refereed publications.

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public service efforts that are devoted to public schools, and universities are working to develop the data for this new measure. This measure covers only one aspect of the State University System's public service—the effort devoted to public schools. It does not cover the other entities benefiting from public service or the benefits they received.

A number of factors have limited the State University System's ability to develop more informative measures about its research and public service programs. These include

- the overlap between research and public service programs;
- the diversity of research and public service activities; and
- the inherent problem of measuring long-term outcomes with annual measures.

Research and public service activities overlap

Developing separate measures for research and public service activities is challenging because many activities serve both purposes. In practice, university faculty probably classify their projects as research if the projects are supported by research grants or allocations or if they result in scholarly products that do not immediately provide practical benefits. However, many grant-supported research projects produce public benefits. For example, grants frequently support medical research, which can benefit the public by finding ways to improve the health outcomes of people with certain medical problems. In addition, in voluntarily undertaking projects to help Florida entities solving problems, university faculty may obtain new knowledge that leads to scholastic publications. However, they may classify these projects as public service. This type of overlap can lead to accountability measurement problems, since it is often not clear which projects need to be included in a particular measure.

Research and public service activities are extremely diverse

Research projects are diverse and produce a variety of products. Common research products include books, articles, and conference papers that present new knowledge in a variety of fields. For example, arts faculty may present new interpretations of existing works of arts such as novels, plays, or poems, while science faculty may present new theories about the origin of the universe. This type of research is frequently called basic research.

In addition, faculty in some fields create products that are of immediate use in the wider community. This type of research is frequently called applied research. For example, SUS science faculty have produced applied research products that include Taxol, a cancer-fighting drug; advanced semi-conductors and computer chips; specialized grass for use on golf courses; hurricane resistant construction designs; and improved hurricane tracking systems. Faculty in the arts and humanities produce works of fiction, art, music, plays, and photography.

Public service projects also are diverse. For example, science faculty may hold science fairs at which they demonstrate basic scientific principles to school children and their parents. Or they may provide expert testimony in court cases concerning coastal set back lines. Education faculty may help schoolteachers improve their teaching techniques, and English faculty may teach adults how to improve their written products.

With such diverse products, developing a limited set of common outcome measures is challenging, and the measures that can be developed tend to be measures of product quality rather than product effectiveness in achieving desired outcomes.

Some research projects produce long-term benefits that cannot be anticipated on a short-term basis

In addition, some research projects do not produce tangible benefits for considerable periods of time. For example, research into the properties of solid materials produced knowledge that eventually led to the development of semiconductors. However, these benefits did not materialize until much later. The eventual benefits of this type of basic research cannot be measured over the short time frames required by annual performance measures. In these situations, the only available performance measures tend to be quality measures rather than outcome measures.

The National Science Foundation has developed descriptive information for its research projects

Due to the inherent problems with developing a limited set of annual performance measures for diverse and long-term products, the National Science Foundation (NSF) concluded that its research programs were not amenable to performance measurement. NSF's primary programs are to provide grants for basic and applied research to help transfer knowledge gained into products that directly benefit the public. It uses one quality measure, rating of peer review committees, to account for the performance of both of these programs. In addition, it provides descriptive information about its research projects. Thus, in its performance report, the NSF highlights the results of specific projects it considers to be representative of its work. A similar approach would provide better information about the State University System's research program.

The Leadership Board for Applied Research and Public Services links research resources to state and local governments

The State University System has an entity responsible for coordinating universities' research efforts and linking research resources to state and local government decision makers who may need those resources. The Florida Leadership Board for Applied Research and Public Services is developing strategies to make university research resources more accessible, including those described below.

- Formulating a statewide contract for use by all 10 universities in the SUS. This generic contract will make it easier and faster for government agencies and private companies to contract with universities.

- Developing the Clearinghouse for Applied Research and Public Service that will make it possible to use the Internet to locate specialized resources within the State University System. This will eliminate searching individual university resources.
- Building the Florida Applied Research Network of SUS centers and institutes. This network will be available through the clearinghouse and other on-line sources which will make it easier and faster for users to reach major groups of faculty in specialized fields anywhere in the SUS.
- Providing information about individual faculty members within the SUS who have demonstrated expertise and ability to work with government agencies and private sector groups. Users will access this talent pool through the clearinghouse and other on-line sources.
- Developing a statewide internship program that will match the academic interests of students with the practical needs of governmental agencies.
- Establishing a Public Leadership Development Program that brings together university and government leaders to improve Florida government.

The leadership board is not responsible for developing a research and public service accountability system

However, the leadership board is not responsible for providing summary information about universities' research and public service activities for accountability purposes. In addition, the board does not have the authority to require all university faculty to report to it information about their research and public services efforts. Thus, it does not have access to all of the information it would need to develop good performance information. Consequently, it has not developed information that would be helpful to the Legislature in assessing the State University's System's research and public service programs.

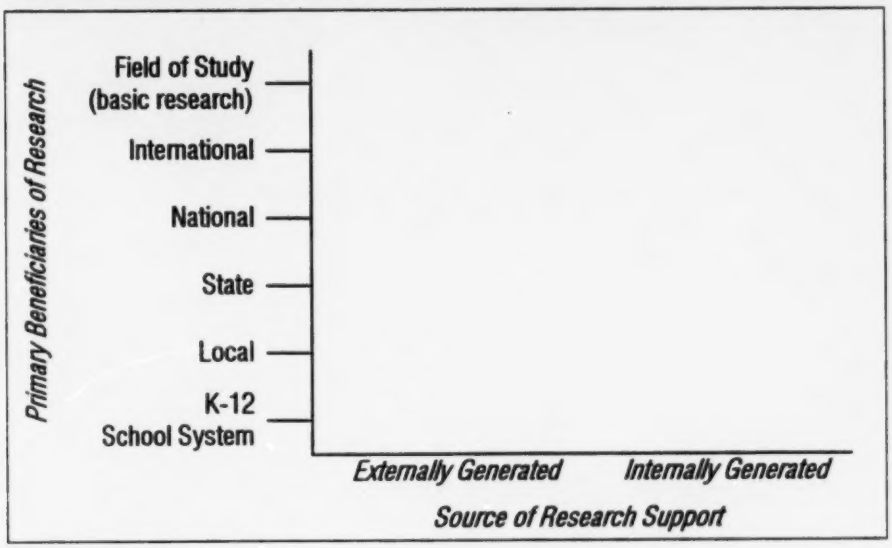
Improving Accountability Information

Because Florida's PB² performance measures go into budget documents, the State University System cannot fully emulate the National Science Foundation and include descriptions of its research work as part of its program-based budgeting system. However, it could develop combined research and public service performance measures that generally describe who benefits from its research and public services projects, and whether those projects were supported by contract or grant money or provided with resources appropriated to the university system.

For example, as shown in Exhibit 22, the beneficiaries of SUS research projects could be classified along a continuum that ranges from "primarily benefits the academic field" for basic research projects to applied research categories such as "primarily benefits Florida public schools." These

primary beneficiaries may not always be the entities funding the project. If, for example, a research project evaluated the effects of a Florida public program, it could be classified as "primarily benefits the state" even though the project received a federal grant. A project with more universal benefits, such as the discovery of a new medical technique, would be classified as "primarily benefits the international community."

Exhibit 22
Potential Classification System for Research and Public Service Programs



Source: Developed by OPPAGA.

Projects also could be classified according to whether they are supported internally or externally. For example, a project supported by a grant would be externally generated while a project supported by giving faculty time off from teaching would be internally generated. This would provide the Legislature with information showing how many of the projects supported by the state are focused on state or local problems.

To provide better accountability for the research performed by state-funded institutions and centers, the State University System could also require type 1 and 2 institutions and centers to develop more detailed performance measures that tie to their specific research or public service missions. Although these measures would not be part of the system's legislative budget request, the State University System could provide data for these measures if the legislature asks for them. This would help these institutes and centers track their performance and justify their legislative budget requests.

Recommendations

The Florida Education Governance Reorganization Act of 2000 (Ch. 2000-321, *Laws of Florida*) established an 11-member task force to make recommendations to the Legislature on ways to improve the state's performance accountability system for K-20. The Board of Regents needs to ensure that any changes it makes to the SUS accountability system fit within the framework being established by the Legislature.

We recommend that the Florida Board of Education and the chancellor of colleges and universities work with the Legislature to develop performance measures that describe who primarily benefits from its research and public service projects or the time spent on them. To do this, the Florida Board of Education and the chancellor of colleges and universities will have to develop and maintain a centralized system for university staff to use to describe their research work. If possible the system should be automated and coordinated with the current process university faculty and research staff use to account for their effort.

Since the Leadership Board for Applied Research and Public Service is responsible for disseminating information about university research projects to state and local government, it should be involved in the development of the accountability system. In addition, to ensure that faculty and research staffs have an opportunity to participate in the design of the measures, the Florida Board of Education and the chancellor of colleges and universities should work with union or faculty representatives in developing the measures. This will help ensure that faculty and staff accept the measures and are willing to accurately report data for them.

The Florida Board of Education and the chancellor of colleges and universities should also consider the diversity of university missions when developing standards for the measures. For example, research 1 and 2 universities may be expected to perform more basic research or applied research focused on national problems, while comprehensive universities would be expected to perform more applied research or public service projects focused on state or local problems.

To supplement these measures, the Florida Board of Education and the chancellor of colleges and universities may wish to annually publish a report describing selected research projects and their benefits. This type of report would provide the Legislature and public with a better idea of the benefits resulting from the university systems' research program.

We also recommend that the Florida Board of Education and the chancellor of colleges and universities require type 1 and 2 institutes and centers to develop performance measures that fit their individual missions. These measures should be published annually and made available to the Legislature. In addition, it should use these measures when it allocates funds to these institutions and centers.

The Board of Regents' current measures for its research programs provide some information about the quality of its programs. The Florida Board of Education and the chancellor of colleges and universities should continue to use these measures or replace them with other, similar measures such as the renewal rate for research contracts, peer review assessment, or beneficiary satisfaction measures. The current measures and the measures recommended above will help inform the Legislature about the State University System's research and public service programs.

Appendix A

State University Performance-Based Program Budgeting Measures for Fiscal Year 2000-01

Instruction Program PB² Measures

	1997-98	1998-99	1999-00	2000-01 Standard	Comments
Graduation Rate FTIC Students	61.1%	59.6%	Available April 2001	61%	Data are reliable.
Retention Rate FTIC Students	71.5%	70.1%	Available April 2001	71%	Data are reliable.
Graduation Rate AA Transfer Students	68.2%	68.6%	Available April 2001	69%	Data are reliable.
Retention Rate AA Transfer Students	79.6%	78.6%	Available April 2001	80%	Data are reliable.
Percentage of Students Graduating at <115% of degree requirements	60.1%	67.9%	68.6%	61%	Data are reliable.
Pass rate on licensure exams	N/A[1]	N/A[1]	Not Available[1]	FY 2001-02 LBR	Data are not reliable.
Percentage employed at $22,000 or more one year after graduation	44.9%[2]	52.4%[2]	Not Available	60%	Data reflect students who remain in Florida.
Percentage employed at $22,000 or more five years after graduation	75.7%[2]	80.1%[2]	Not Available	90%	Data reflect students who remain in Florida.
Percentage of baccalaureate graduates enrolling in graduate school	15.8	Not Available	Not Available	16%	Data are not useful for some universities because it reflects students who go to graduate school in a different state.
Of the total instructional effort by level, the percent of effort provided by faculty					
Lower level	32.6%	31.8%	32.6%	35%	Data are useful as an internal measure for individual universities, but combined measure is not meaningful.
Upper level	48.4%	47.4%	47.0%	50%	
Graduate	55.5%	53.0%	51.9%	55%	
Number of degrees granted by level					
Baccalaureate	34,075	34,529	35,437	37,982	
Master's	9,830	10,008	10,036	11,008	
Professional	1,128	1,141	1,115	1,255	
Doctoral	1,121	1,064	1,138	1,170	
Total	46,154	46,742	47,825	51,415	Data are reliable.
Percentage of qualified Florida students admitted as FTIC students	94.0%	92.7%	95.4%	2001-02 LBR /95%	Data are reliable.
Percentage of alternative admits who are out of state students	16.4%	17.9%	23.4%	10%	The state does not provide funding for these students, so measure may not be needed
Percentage of FTICs admitted as alternative admits	12.7%	11.7%	5.2%	10%	Data are reliable.

Research Program PB² Measures

	1997-98	1998-99	1999-00	2000-01 Standard	Comments
Externally generated research and training grant funds per state funded ranked faculty (including special units)	$85,243	$94,100	$97,196	2001-02 LBR	Data are reliable.
Average number of articles in Institute for Scientific Information Publication Count per ranked faculty	0.71	0.75	0.72	2001-02 LBR	The data are reliable but this reflects quantity, which is not a measure of publication quality

Public Service Program PB² Measures

	1997-98	1998-99	1999-00	2000-01 Standard	Accountability Plan Systemwide Measures
For IFAS only - the percentage of public service projects where the beneficiary is satisfied with the extension assistance	96.7%	98.2%	Not Available	98%	Not a good measure of performance because it applies to only one program.
Output measure					
Of total faculty effort allocated for public service, the percentage devoted to public schools	Not Available	Not Available	Not Available	25%	Good data are not yet available.

[1] Licensure Performance Measure: Currently, licenses may be obtained through the Department of Health and the Department of Business and Professional Regulation (DBPR) for 27 different areas, including, but not limited to, medicine, dentistry, and pharmacy. These agencies are unable to provide the licensure pass rates by type of license for consecutive years for each area.

[2] For 1997-98 and 1998-99 the measure was based on an income of $25,000 per year.

Source: State University System Accountability Report.

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Appendix B

Response from the State University System of Florida

In accordance with the provisions of s. 11.45(7)(d), *Florida Statutes*, a draft of our report was submitted to the chancellor of the State University System of Florida for her review and response.

The chancellor's written response is reprinted herein beginning on page 45.

STATE UNIVERSITY SYSTEM OF FLORIDA
325 West Gaines Street, Tallahassee, Florida 32399-1950

May 2, 2001

Mr. John W. Turcotte, Director
Office of Program Policy Analysis
and Governmental Accountability
111 West Madison Street
Claude Pepper Building, Suite 312
Tallahassee, Florida 32399-1475

Dear Mr. Turcotte:

We have examined the document entitled, *Justification Review: State University System, Florida Department of Education,* prepared by the Office of Program Policy and Governmental Accountability (OPPAGA). We appreciate the collegial manner in which your staff generated the report and worked with our staff to understand fully the details of the many issues addressed in the report. We thought the section on universities' excess hours was especially well researched.

Several issues, however, bear comment for various reasons, including exclusive relevance to the State University System:

1. While we understand the need to include information about education reorganization in Florida, the Legislature has not yet passed legislation which identifies all of the duties and responsibilities of our new organizational structure. Thus, we question the extensive coverage of the topic in the report.

2. The National Center for Public Policy and Higher Education's *Measuring Up 2000: The State-By-State Report Card for Higher Education* deals with **all** of education in Florida and the other forty-nine states, not just public postsecondary education. Furthermore, the students in the SUS account for only 29 percent of all postsecondary students in Florida. Many of the issues in the *Report Card,* therefore, are not directly related to nor are they totally under the control of the SUS. Although the *Report Card* was published in November 30, 2000, it is not mentioned in OPPAGA's April 2001 *Justification Review: Kindergarten Through Twelfth Grade Public Education Program.* Since the *Report Card* measures preparation of K-12 students for postsecondary educational experiences as well as the rate at which high school graduates participate in postsecondary

education it certainly would be pertinent for the Kindergarten Through Twelfth Grade Public Education Program.

Regarding preparation, participation and completion rates for postsecondary education, the state's universities are closely tied to Florida's 2 plus 2 policy, the first two years of baccalaureate education at a community college and the last two years at a state university. To enter a state university as a first year student specific college preparatory coursework is required. As a state policy, to enter a public community college a specific college preparation curriculum is not required. Since the primary entry point in Florida's public postsecondary sector for the first year of college is in a system that does not require a high school college preparatory curriculum, many Florida high school students elect not to take advantage of higher level courses available in public schools.

Students who have not been exposed to a college prep curriculum in high school are less likely to persist in college and ultimately secure a degree. Florida data supports a high state university completion rate for students who entered as freshmen or transferred from a community college. Completion was the highest score, B+, for Florida in the *Report Card* document.

One of Florida's greatest problems is participation. Many more students begin an Associates of Arts degree at a community college than complete one. It appears much of this attrition is due to their lack of preparation to embark on college coursework.

3. One wonders why, within the detailed discussion of the Instruction Program in the SUS, little mention is made of the number of degrees awarded by the SUS. Degrees awarded are one of our most tangible outputs, and performance measures related to them have been used for several years. Systemwide summary data of degrees awarded are found only in the appendix, but the data found there lack information by university.

   There is no information in the Justification Review about the quality of the various academic programs in the SUS. Many of our instructional programs enjoy high national rankings and year-after-year many of our students demonstrate the quality of those programs by excelling in national student academic competitions and by being accepted by prestigious graduate schools.

4. With respect to "excess hours," our analysis of the data indicates that some of the problem needs to be addressed in other areas of Florida's education system. For example, many students come to the SUS with an AA or AS, from the Florida Community College System, without the required credits in a foreign language. It is our understanding that a forthcoming OPPAGA report on articulation will include such a finding, yet no mention is made of it in the Justification Review.

Reducing the number of "excess hours" attributable to students changing majors is rather difficult. Regardless of the extent or quality of career guidance given to students, often it is the case that a student becomes excited by first-time exposure to the material in a course outside his/her intended major that leads to a change in major.

Many of the suggestions included in the Justification Review for reducing "excess hours" have been in place in the SUS for several years. Our universities have made on-line access to degree requirements more readily available to students to help them better plan their academic career and to understand the appropriate choices that lead to timely graduation. Universities have established formal opportunities for first-year students to learn about appropriate study skills, time management, career decision making and other topics to help assure early academic success. Orientation sessions with students and parents include discussion of the importance of students making early decisions about careers and majors.

No discussion is included in the Justification Review on the disparity of the Legislative standard for "excess hours" between the Florida Community College System (120 percent) and that of the State University System (115 percent). The issue regarding the rationale for the difference in the excess hour measure between the two delivery systems is not discussed.

5. There are several issues raised in the section dealing with distance learning that are true for distant learning across the nation but they largely are being addressed within the SUS. For example, the issue of evaluating outcomes is certainly important to the quality of the distance learning experience. That is why outcome evaluation continues to be a major focus of each university's distance learning efforts. The information that is gathered about student satisfaction and student success rates is used to plan for improvements in course design and student services.

   It was disheartening to see the Justification Review continue the myth that distance learning will reduce the need for physical facilities. Given the current technology and students' willingness to use it, this largely has been shown to be not true. While there can be a reduction in the need for classroom space with some methods of distance learning, the need for academic and administrative support facilities remains fairly constant and there is an added need for production facilities. Coupled with these requirements is the fact that 90 percent of the SUS students who take distance learning courses are also taking regular classroom courses. These circumstances make facility savings, if any, insignificant.

In addition, a statement is made about the need to eliminate unnecessary duplication in distance education. We do not believe that situation exists within the SUS and given the high level of access students have to SUS distance learning courses and programs, competition should resolve any unnecessary duplication issues should they arise.

6. While we applaud the attempt to create performance measures for Research and Public Service, the proposed classification system in Exhibit 22, a chart titled Potential Classification System for Research and Public Service Programs, can too easily be construed to imply a sense of relative value where none exists. It is not a graph with numerical values. Most readers would likely assume that a chart of that nature would be depicting higher value for items further from the intersection of the axes. In that case, "basic research" would be much more valuable than research or public service involving K-12 schools. While we understand the intent was to develop a hierarchy that went from most specific (K-12) to the broadest (basic research), the result could very easily be misunderstood.

7. The recommendation that resources for Type I and Type II Institutes and Research Centers be allocated on the basis of measures developed by each such Center initially seems like a good idea. However, the broad variation from one Center to another, with respect to the nature of activities and products, coupled with orders of magnitude differences in the size of operating budgets and the likelihood that the proposed performance measures would be substantially different, would make it most difficult to allocate funds on the basis of performance measures. In simplest terms, how should a certain level of performance on one measure be equated to another level of performance on a different measure? Such comparisons would be necessary in the process of allocating resources among the Centers.

We welcome the review of SUS programs and have closely considered each of the recommendations in your Justification Review. Thank you for your interest in the State University System of Florida.

Sincerely,

/s/
Judy G. Hample
Chancellor

JGH/dgp

This office provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision making, to ensure government accountability, and to recommend the best use of public resources.